

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 93-0418 CSET

**CONTROLLED SUBSTANCE EXCISE TAX
FOR TAX PERIODS: 1993**

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ISSUE

1. Controlled Substance Excise Tax: Imposition

Authority: IC 6-7-3-5, IC 6-8.1-5-1(b).

Taxpayer protests the assessment of Controlled Substance Excise Tax.

Statement of Facts

Taxpayers were a married couple and were arrested for possession of marijuana and non-prescribed pills. The Indiana Department of Revenue issued a record of Jeopardy Finding, Jeopardy Assessment Notice and Demand on April 19, 1993 in a base tax amount of \$1,186.80. Taxpayers filed a protest to the assessment. A hearing on the protest was scheduled for March 16, 2000. Taxpayers called and requested thirty days to submit documentation which would prove that they did not owe the tax. The thirty days passed and Taxpayers did not submit any documentation. Further facts will be provided as necessary.

Controlled Substance Excise Tax: Imposition

Discussion

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the possession of marijuana in the State of Indiana. Taxpayers have the burden of proving that the assessment is incorrect. IC 6-8.1-5-1(b). Since Taxpayers did not submit any documentation, the Department must rely on the contents of the file in making a decision on the matter. The Criminal Investigation Report and the Forensic Laboratory Report indicate that Taxpayers possessed the marijuana and pills upon which tax was assessed. Therefore, the tax properly applies to Taxpayer in this situation.

Finding

Taxpayer's protest is denied.